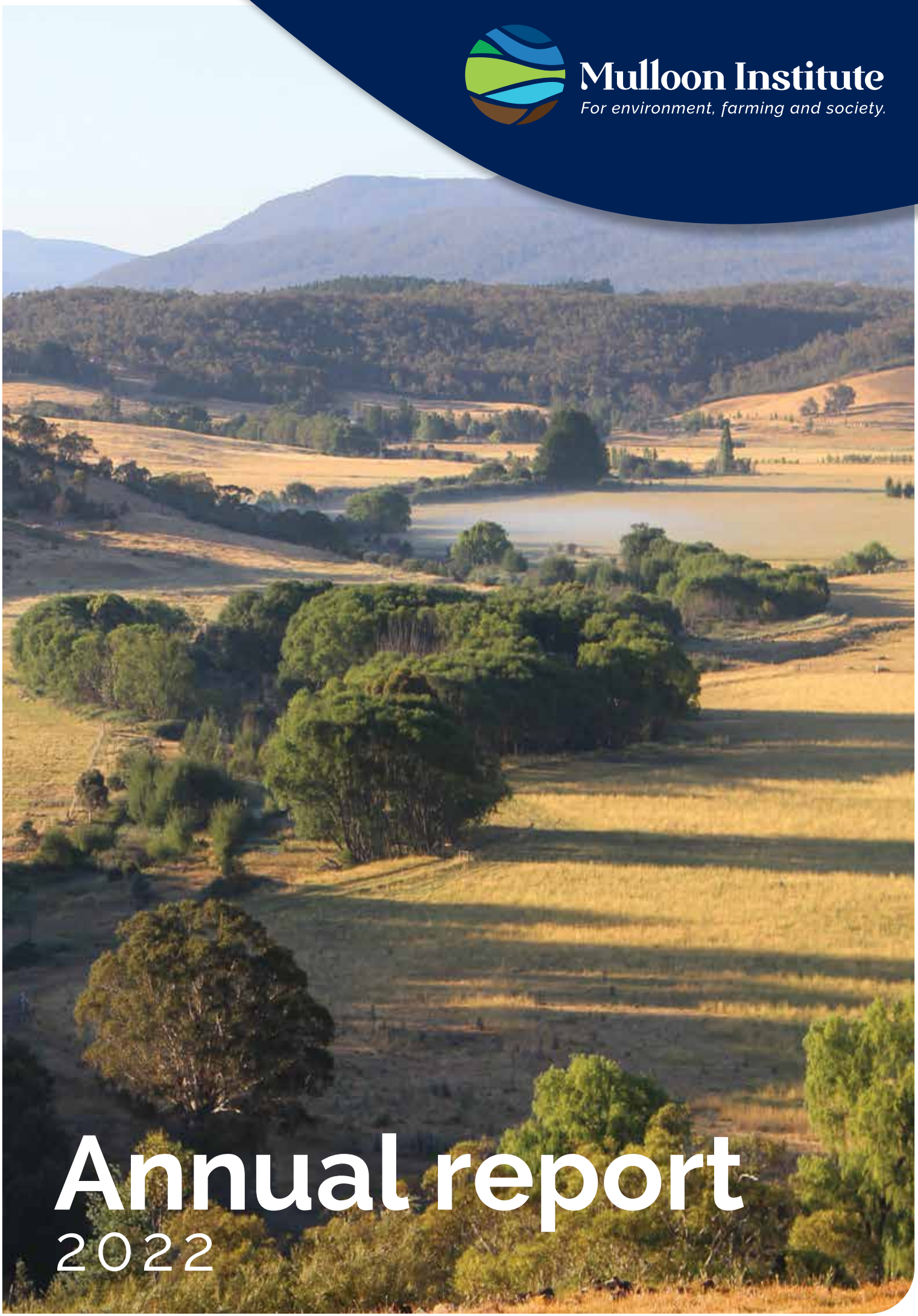
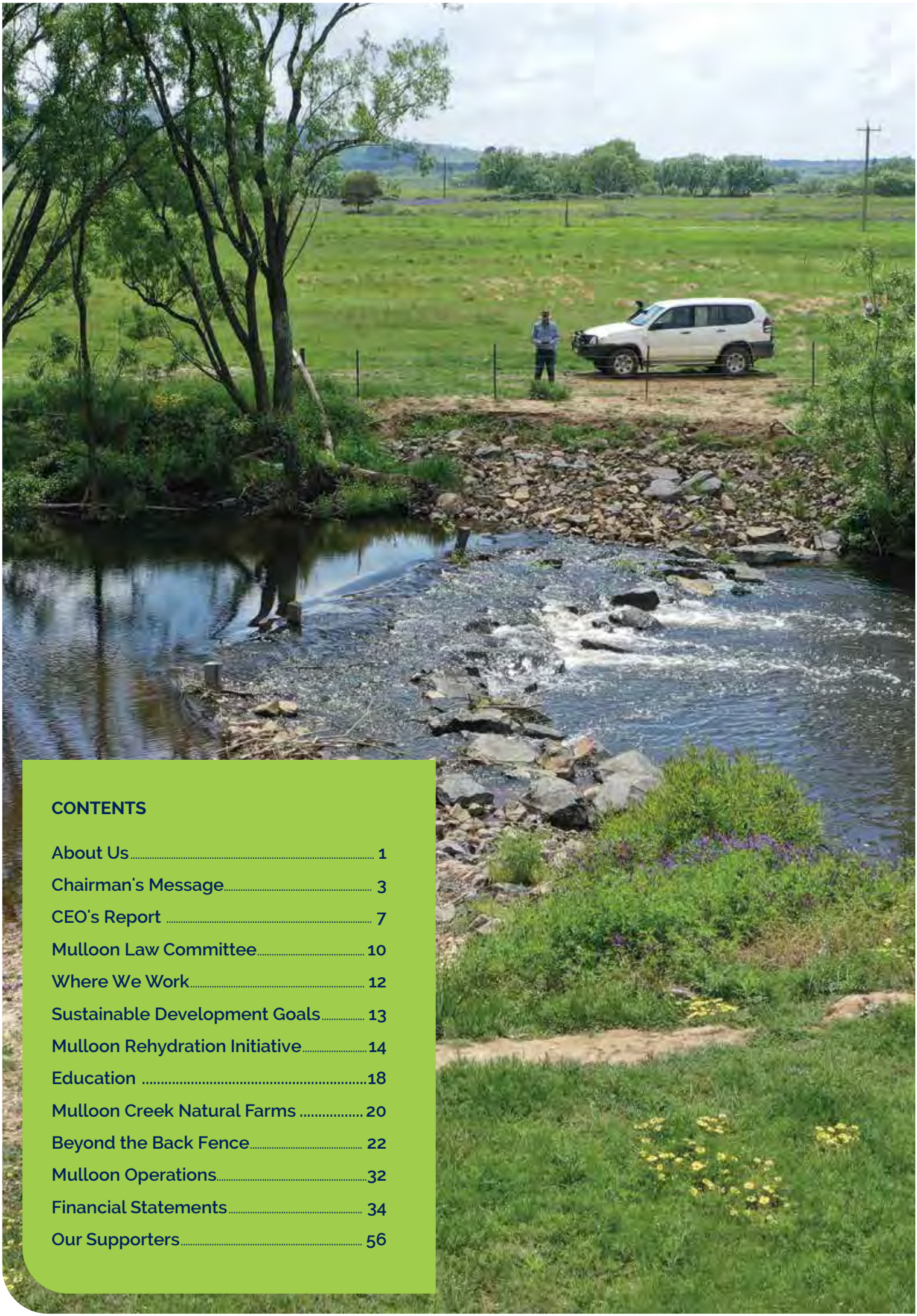
Mulloon Institute

For environment, farming and society.



Annual report

2022



CONTENTS

About Us

The Mulloon Institute are global leaders in landscape rehydration and environmental regeneration, at the property and catchment scales.

Our world-class scientific research and educational outreach helps Australian farmers create resilient, productive and profitable farms where agriculture and the environment work in unison. Rehydrating landscapes helps restore their natural function, boosts ecosystem biodiversity, and makes them more resilient to climatic extremes. It also allows for increased agricultural productivity and greater soil carbon capture through healthier soils and more vegetative cover. Our work has been acknowledged by the United Nations' Sustainable Development Solutions Network and we actively work towards helping achieve the United Nations' Sustainable Development Goals.

We are committed to building resilient rural and regional communities by supporting the long-term, sustainable growth of Australian agriculture.

The Mulloon Institute acknowledges the Traditional Owners of the places in which we work and honours the deep cultural, social, environmental, spiritual and economic connection they share with their lands and water.

Our Goals

2.5 million hectares of agricultural land rehydrated & rehabilitated

5,000 farming families with improved resilience & productivity

Our Vision

To be a global leader in sustainable agriculture and environmental regeneration through the use of world class scientific research, education and demonstration. To rebuild climate resilient landscapes that provide food and water security and support healthy ecosystems.

Our Mission

To actively demonstrate, validate and share regenerative agriculture practices in order to create sustainable and resilient environments now and into the future.

Our Values

- Innovative and collaborative
- Pro-active and accountable
- Commercially focused
- Ambitious and entrepreneurial
- Supported and compassionate.

Mulloon Institute
For environment, farming and society.

PO Box 126, Bungendore NSW 2621 AUSTRALIA
info@themullooninstitute.org | themullooninstitute.org

Front cover – Mulloon Creek Home Farm floodplain.
Credit: Lydia Kirk

Opposite page – Peter Hazell Principal Landscape Planner inspecting Leaky Weirs on Mulloon Creek at the property, Palerang.
Credit: Peter Hazell

Printed on paper partly or wholly manufactured from recycled material

Chairman's Message

Hon Gary Nairn AO
CHAIRMAN

While the 21/22 year continued to be impacted by the COVID pandemic, some semblance of normality did return to the operations of the Mulloon Institute (TMI), Mulloon Consulting (MC) and Mulloon Creek Natural Farms (MCNF).

The other impediment to our operations during the year was the ongoing "double the average" rainfall, particularly with our MCNF poultry operations. It seems chickens just don't like wet feet! Nor do farm General Manager, Jim Steele, and his team working under difficult conditions to improve the infrastructure on the farms. They did make great progress despite the rain and you will read more about that in this Annual Report.

The operations of both TMI and MC continued to expand geographically and numerically throughout the year with projects in NSW, Queensland, Northern Territory, Western Australia, ACT and soon in Victoria. As a result, we have grown with over 20 people employed in TMI and MC. We have also invested significantly in our education offerings and maintained a strong focus on research. We strongly believe that the challenges we face as a nation with respect to our climate and our environment can only be solved through education at all levels of our community.

The Board's focus has been on steering the organisation in accordance with our Strategic Plan which we strongly believe is delivering on TMI's Vision and Mission Statements and our shared Values. Our Founders Tony and Toni Coote gave us direction and our strategy has grown from there. Increasingly the value of the legacy of the farms left by Tony is being appreciated as the unique data set flowing from the scientific instrumentation deployed across the Mulloon Rehydration Initiative (MRI) is demonstrating.

Speaking of Tony Coote, the annual Tony Coote AM Memorial Lecture & Dinner had to be deferred in 2021 due to COVID, however it was successfully conducted in March 2022. We were very pleased to have the Hon Shane Stone AC QC, Coordinator General of the National Recovery & Resilience Agency deliver the Lecture. Over 200 people attended the event held at NSW Parliament House. Prior to the pandemic, Shane Stone had inspected the Mulloon Rehydration Initiative as well as works TMI had completed in North Queensland. Having seen just how resilient to drought, flood and fire our works had proved to be, his lecture strongly

Gerard Lyons and Sam Skeat at Four Mile near Townsville, North Queensland

endorsed landscape rehydration as a substantial tool needed throughout the nation. The Tony Coote AM Memorial Lecture & Dinner has become a "not to be missed" event on TMI's calendar.

During this year's event, the CEO of Vitasoy, David Tyack, announced Vitasoy had entered into a sponsorship agreement with TMI. He advised those present that Vitasoy had researched organisations around Australia that were involved in environmental repair that they might support and decided the Mulloon Institute stood out. He announced Vitasoy would be supporting us financially with $1.25million over 5 years and would also develop a marketing campaign so that customers buying their product would be made aware of TMI's great work. It is very pleasing to see a major corporate contributing substantially to help repair degraded landscapes.

During the course of the year the Board met on a regular monthly basis. We did have some changes at the Board level with Richard Forbes resigning to become CEO of Independent Food Distributors Australia. In addition, long-standing Director, Charles Cupit, stepped aside from the Board to particularly concentrate on the establishment of his new accountancy consultancy. I am very grateful for the input and support of all Directors and particularly Peter Howarth and Carolyn Hall for their passion and commitment to TMI. Also, the Board could not achieve the outcomes it has without the incredible support and provision of information and advice from our Company Secretary and Chief Operating Officer, Kathy Kelly. Kathy's knowledge and professional advice has been second to none.

TMI welcomes the ongoing support of our advisory groups, the Mulloon Law Committee and the Science Advisory Council. On behalf of my fellow Board Directors and the broader team I want to thank them for their ongoing advice. In particular I would like to extend my thanks to the chairs Matt Egerton-Warburton and Emeritus Professor Stephen Dovers.

I also want to thank the staff across the Mulloon group, their ongoing dedication and hard work has seen the ongoing expansion of the TMI and MC and continued progress at MCNF.

Supporters to TMI come in a variety of forms, all welcome and valued, simply it is their support that makes our work possible. They range from Government support at the state and federal level, through to philanthropic support and volunteers.

As we extend our work nationally, over the past year we also launched our National Rehydration Initiative (NRI). With the success of the MRI and with data confirming it has contributed to repairing the small water cycle, we took the bold step to have a national initiative. The NRI has a target to establish catchment scale projects in all States and Territories as landscape rehydration done at scale will collectively positively impact climate. Not to mention the increase in biodiversity and agricultural productivity.

Top: Peter Hazell Principal Landscape Planner installing brush matting with University of Wollongong students on the property, Umbiella, Capertee Valley
Credit: Laura Fisher

Middle: Stock on the Floodplain at Mulloon Creek
Credit: Kelly Thorburn

Bottom: Volunteers tree planting along Mulloon Creek at Westview.
Credit: Peter Hazell

CEO's Report

Carolyn Hall
CHIEF EXECUTIVE OFFICER

Diversity in the locations and landscapes where we undertake our work and, in the projects we have delivered have been the key to our resilience this year.

From the southern tablelands to the subtropical north coast of NSW, to the wheatbelt in WA, the rangelands and wet tropics of the NT and the dry tropics of Northern Queensland, our team have been exploring the application of landscape rehydration and repair in a variety of settings. These projects will all form part of our National Rehydration Initiative, TMI really does aim to rehydrate the nation.

The climate challenges have continued across the country with devastating floods impacting Queensland and Northern NSW in early 2022. The Bureau of Meteorology has indicated we are facing a third straight La Nina season, which has only happened three times since 1900. Ironically, the need for the restoration of landscapes through landscape rehydration has never been greater. We have observed firsthand the ability of a restored and rehydrated landscape at Mulloon Creek to withstand major flood events without the destructive erosion we have seen elsewhere. We have witnessed landscape resilience in action.

Collaboration has continued as a key theme with further partnerships developed in the 2021 – 2022 year, and collaborations on education and fundraising underscoring the value of diversity to the Mulloon Institute and Mulloon Consulting. Special mention must go to David Hardwick at Soil Land Food for the support of our education program and to the team at Redhanded for the support of our fundraising strategy.

This year has seen TMI and MC begin to deliver on projects that were the subject of earlier successful grant proposals. Work has begun in earnest in WA with construction undertaken at Warren Pensini's property Paraway Koolpinia. This work is part of the WA Community Stewardship grant, and the successful early collaboration between TMI and Commonland. A real highlight this year was a trip to WA in March to participate in workshops at the Muresk Institute and at Warren's property. The warm reception TMI have received in WA reflects our dedicated and diligent approach to delivering advice and assistance to farmers. We deliver advice and assistance to WA farmers aimed at restoring the function of their landscapes, while they adapt to a long term 20% reduction in annual rainfall in the SW since the 1970s.

Collaboration has also occurred with the delivery of some unique projects during the year. Highlights include the Landscape Hydration Index, developed in collaboration with the Australian Holistic Management Co-operative. This project developed and documented a methodology for measuring landscape hydration and health over time that provided a scientifically rigorous and quantifiable index.

Lower Mulloon Creek in Flood in August 2020 at Duralla. Credit: Peter Hazell

The Mulloon Institute – Back to Country Co-Educational Project expanded this year thanks to grant funding from the Capricorn Foundation and TMI. It saw TMI team members join Back to Country for a weekend of two-way knowledge exchange of landscape rehydration and cultural awareness. Kindly hosted by Tom Gordon and Martina Shelley on their property 'Birkenburn' near Bungendore, the weekend involved hands-on, on-ground works to increase ecological health, and cultural activities which strengthened partnerships between participants. A key component of cultural education is understanding that caring for Country is about giving back. Caring for Country provides a relationship to the living world, informing purpose, belonging, meaning and identity. All of those in attendance were profoundly moved and acknowledged the adage of the late Uncle Max (Max Dulumunmun Harrison) founder of Back to Country "nature is the greatest teacher".

The Mulloon Institute has partnered with Hydroterra for the development of a Catchment Rehydration Selection Tool. Funded as part of the NSW DPI's Climate Smart Pilots Project, Demonstrating Adaptation Program, the selection tool will be designed to evaluate and rank catchments across NSW for landscape rehydration and repair. These practices are now being demonstrated successfully by TMI at Mulloon Creek and other catchments across Australia.. The Catchment Rehydration Selection Tool will provide a spatial output akin to a 'heat map' which grades agricultural regions of NSW according to their potential for effective adoption of landscape rehydration practices.

Our work has also been acknowledged with one award this year. We were a finalist in NSW Biodiversity category for the Banksia Foundation NSW Biodiversity Awards (2021). It was an honour to attend the awards ceremony and learn about all the amazing innovations occurring across NSW to rebuild and protect our unique biodiversity.

We also caught the eye of our largest ever corporate sponsor Vitasoy who have embarked on a journey to understand our work and the promise it holds for the future of our environment, farming and society. The Vitasoy team are committed to raising our profile and in so doing providing opportunities for more people to understand and appreciate our work and so significantly expand our supporter base.

Without a doubt the biggest achievement of this year has been the growth and development of our team. We have expanded in numbers, but we have also expanded in our thinking about how landscape rehydration and repair can be applied and how stakeholders can be engaged. We have made major advancements in our education program (detailed in this annual report) and innovations, linking art and citizen science together to broach the challenging concepts around social and practice change required for a more resilient future.

None of this would be possible without our growing team, I extend a heartfelt thank you to every single team member for their efforts. Our team has expanded significantly with 8 new staff bringing our team to 21 in total. Our challenge now is to support our new team members as they become

8
new team members

5
new landscape planners

4
new MOUs signed with key partners

6
states and territories we're working in

$1,234,917
received in funding

'Mullooned', to spread the word about our works and to provide a wide range of exciting projects for them to work on.

I sign off this year as both the CEO and Managing Director of the Mulloon Institute. During the year I completed the Australian Institute of Company Directors Course and graduated from that course to become GAICD. I take my governance role seriously and serving the Mulloon Institute is an honour and a responsibility that I do not take lightly. I thank my fellow Board Directors for their ongoing support of the Mulloon Institute and acknowledge the dedicated work of our COO and Company Secretary Kathy Kelly. Together and as a team we prepare TMI for a future where our work bringing the environment and agriculture together is more important than ever.

Ventia team surveying Black Jackie stream guage Mulloon Creek. Credit: Ventia team

Mulloon Law Committee

Matt Egerton-Warburton
CHAIR

The Mulloon Law Committee (MLC) advises the Mulloon Institute on legal and regulatory issues. The MLC is focussing on reducing significant and burdensome government approvals needed to implement catchment remediation projects.

The MLC meets monthly and regular attendees include Matt Egerton-Warburton (Chair), Wilfred Finn, Dr Gerry Bates, Jamie Kerr (Qld), Gary Nairn, Peter Hazell, Carolyn Hall and Laura Fisher.

When seeking to repair a catchment, a project manager typically requires from government:

- individual approvals for each structure;
- individual submissions for each separate landowner in a catchment;
- separate approvals from multiple government departments (water, planning, environment, fisheries, etc.) – each requiring their own submission, and
- expensive expert reports from numerous experts.

To receive these approvals landholders are often required by government to submit:

- environmental impact assessments;
- development applications;
- site descriptions;
- engineered designs;
- hydraulic modelling reports;
- vegetation management plans;
- sediment and erosion control plans;
- biodiversity assessment reports;
- WAL applications, and/or
- cultural heritage assessment reports.

This process takes significant time and money. As an example, The Mulloon Institute has spent over $350,000 on planning and approvals alone across five properties and 10km of creek within Mulloon catchment. The red tape can take several years to process before any on ground work takes place. In the meantime the system can, and in many cases has, become substantially more degraded as a result of extreme weather events.

Our proposed solution is a "Code Compliant" approach in which governments introduce a Code for building Landscape Rehydration Works and landholders build Landscape Rehydration Works without approvals as long as such works are "Code Compliant".

The MLC spent 2021/2022 lobbying and working mainly with NSW Government officers to seek exemptions and efficiencies in the approval process.

We expect our first significant breakthrough later this year (November 2022) with the tabling of amendments to the Infrastructure SEPP. The

NSW Government's proposed changes will allow farmers to restore streams on their property through landscape rehydration techniques, without the need for local council approval (but they will still need all state level approvals). The NSW Government proposal can be viewed at planningportal.nsw.gov.au/isepp-landscape.

The NSW Government's proposal included a commitment to draft a Best Practice Design Code (which we hoped would have formed the basis for allowing compliant landholders to bypass some (or all) of the lengthy and expensive approval process), but this seems to have been amended to a commitment to produce a guidance document outlining the approval pathways and environmental assessment requirements for landowners to apply for a licence under the Water Management Act or Crown Lands Act. While this guidance document will be helpful, it does not solve the problem. It should make the problem more transparent.

Since we have been unsuccessful in encouraging the NSW Government to draft a Code, the MLC has taken the bold decision to commission one ourselves and then challenge governments to implement the Code. The MLC issued a Request for Proposal (RFP) in May for environmental, engineering and planning organisations to draft a plain English "Catchment Remediation Code" that can be used by (i) landowners and government departments to construct Code Compliant best practice Landscape Rehydration Works and (ii) regulators to ascertain whether a structure is "Code Compliant" (and exempt from the need for pre-construction government approvals) – see themullooninstitute.org/mlc-rfp

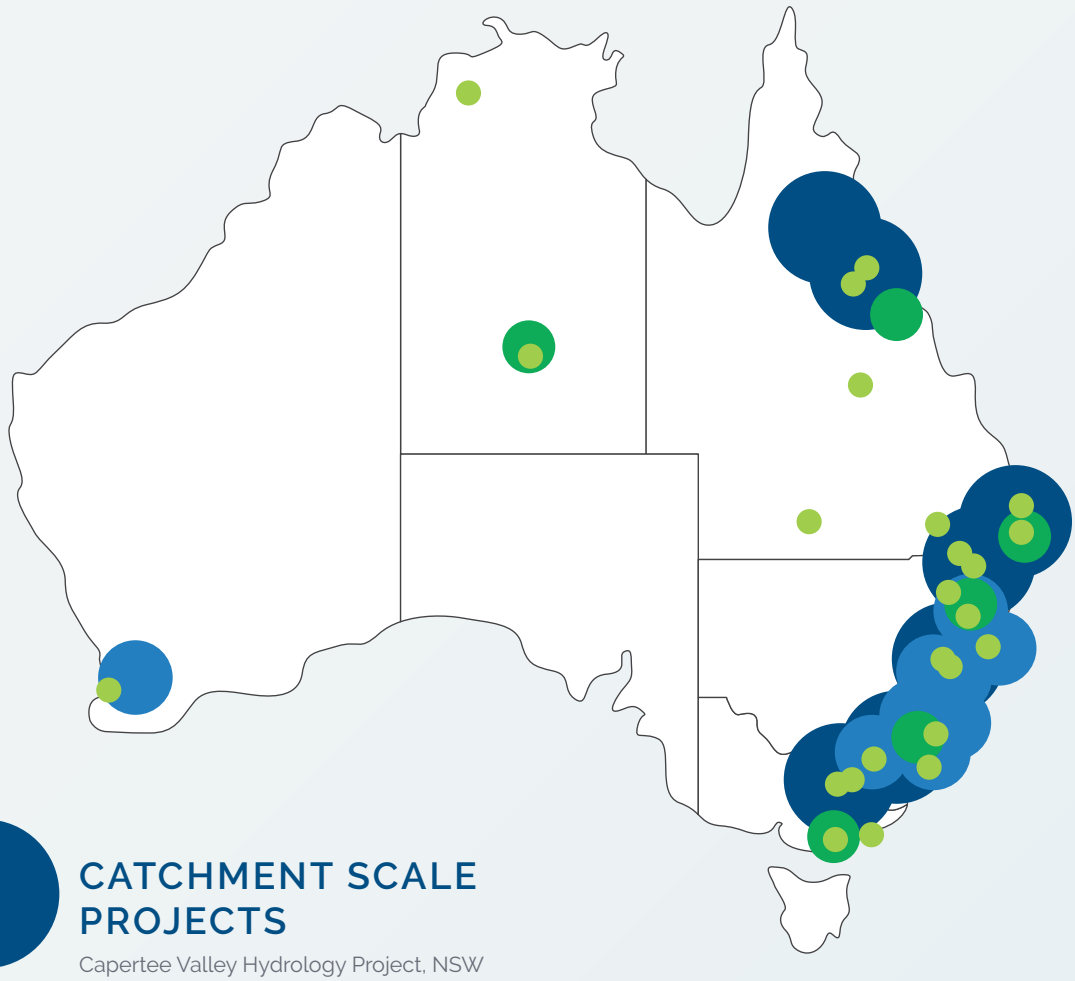
We are currently working with two environmental organisations to scope and cost the work – this looks to be a significant MLC project for 2022/23.

The MLC plans to continue to focus on progress with the NSW Government, with the hope that success here will lead to mirror amendments in other states. We have also reached out to the new Federal Environment Minister to seek her assistance (but are yet to receive a response).

There is still plenty of work to do but we are a small and determined bunch….thank you to my fellow committee members for their diligence, good humour and time.

ANU field trip to Mulloon with ANU Professor Justin Borevitz, Professor Jamie Pittock, and Dr Firouzeh Taghikhah with guests from India Watershed Organisation Trust WOTR group. Credit: Paris Capell

Where We Work



CATCHMENT SCALE PROJECTS

Capertee Valley Hydrology Project, NSW
Lansdown Creek Community Rehydration Initiative, QLD
Molonglo Floodplain Rehydration Initiative, NSW
Mulloon Rehydration Initiative, NSW
Paddys River, Bago State Forest, NSW
Roseberry Creek Catchment Project, NSW
Swanbrook Rehydration Project, NSW
Upper Herbert Sediment Reduction Project, QLD
Turnip Creek Catchment Scale Project, VIC [Benalla]
Emu Swamp Creek Catchment, NSW [Glen Alice]

WORKSHOPS

Aileron, NT
Batchelor, NT
Boyup Brook, WA
Glen Alice, NSW
Greta Valley, VIC
Glen Ruth, QLD
Bass Coast, VIC
Maffra, VIC
Mount Pleasant, QLD
Mulloon, NSW
Muresk, WA
Mt Garnet, QLD
Burren Junction, NSW
Douglas Daly, NT
Bombala, NSW

ON-GROUND WORKS

Weetalaba, QLD
Coopers Creek, WA
Boyup Brook, WA
Aileron, NT
Ahakeye Aboriginal Land Trust, NT
Narwietooma, NT
Glen Helen, NT
Mulloon, NSW
Batchelor, NT

NOTE - icons representative only and NOT drawn to scale.

PROJECTS

Ginninderry Conservation Corridor, ACT
Landscape Rehydration Trial & Demonstration in the Wheatbelt, WA
Centralian Project, NT [Alice Springs]
Back to Country Co-educational Project,NSW [Mulloon]
Waterland Exhibition Kandos, NSW
Bass Coast Landcare, VIC
Widden Valley, NSW
Nature Glenelg Trust Minyumai, NSW [Evans Head]

Sustainable Development Goals

Our landscape rehydration and regeneration work around Australia is working towards many of the United Nation's Sustainable Development Goals.

SDG2 – Zero Hunger

Restoring natural landscape function revitalises ecosystems and boosts landscape resilience to climatic extremes. Implementing regenerative agriculture progressively improves land and soil quality and ensures ongoing nutrient dense food production.

SDG3 Health and Wellbeing

Rebuilding landscapes and revitalising wetlands recreates natural filtration systems that keep waterways clean for healthier landscapes and healthier food production.

SDG4 – Quality Education

We educate farmers in landscape rehydration and regenerative agriculture, with a comprehensive training manual created and plans for digital learning opportunities.

SDG6 – Clean Water and Sanitation

Our work rehydrates landscapes and rebuilds natural landscape function, using creek interventions that slow and filter water flow, increasing its quality and abundance.

SDG11 – Sustainable Cities and Communities

Regenerating landscapes protects and safeguards them for future generations. Restoring natural landscape function boosts its resilience to climatic extremes. Training landholders in regenerative and sustainable agriculture helps them to adapt to a changing climate and mitigate its effects.

SDG13 – Climate Action

We rebuild and regenerate landscapes for enhanced climate change resilience through soil carbon sequestration. We educate farmers in rehydrating and restoring landscapes using regenerative agriculture.

SDG14 – Life Below Water

We provide important habitat for a range of aquatic flora and fauna by restoring eroded waterways and transforming them into healthy, vibrant and complex ecosystems.

SDG15 – Life on Land

Rebuilding the catchment's natural functionality and resilience supports threatened and vulnerable species, including eleven threatened bird species and two threatened frog species.

SDG17 – Partnerships for the Goals

Our strong partnerships include the UNSDSN, key Australian universities, state based NRMs, the National Landcare Network, federal, state and local government agencies, NGOs, community groups, industry bodies and landholders.

Mulloon Rehydration Initiative

Peter Hazell
PRINCIPAL LANDSCAPE PLANNER

Emeritus Professor Stephen Dovers
SCIENCE ADVISORY COUNCIL CHAIR

Luke Peel
RESEARCH MANAGER

On-ground works

The on-ground works program has demonstrated excellent results in the face of record-breaking rainfall in the catchment, which has driven consistently big flows over the past two and a half years.

The 50+ creek structures already in place across seven properties and 20km of creek have highlighted their value by slowing and dissipating the energy of these flows and capturing sediments that would otherwise continue downstream and into Sydney's water supply. Over and above the sediment capture, the biodiversity values of the creek are also beginning to head in the right direction, as the monitoring demonstrates.

Approval processes for further on-ground works are continuing. Landscape assessments and designs have now been completed across seven properties – Brolee, Mulloon (South), Mulloon (North), Westview, Palerang, Duralla (Mulloon, Reedy, Sandhills and Shiel) and Kalbilli. Assessments are progressing across five more properties – Landtasia, Birkenburn, Seaview, Three Gullies and Barnett. Once conditions in Mulloon Creek become conducive again the on-ground team should be in a position to restart creek works.

Several thousand trees, shrubs, grasses and water plants have been planted and transplanted in the last year. There have been two volunteer tree planting days, work experience involving university students, a Back to Country co-educational workshop exploring indigenous landscape perspectives, professional development training for new TMI staff and some maintenance activities on existing works when conditions have allowed.

With the lifting of Covid restrictions, onsite VIP field visits were able to recommence – for instance, Future Drought Fund senior managers, the National Landcare Network Board and Senior Executive, and the entire team from Climate Friendly all toured the MRI.

With many kilometres of Mulloon Creek now treated, biodiversity, water quality and productivity will begin to improve at an exponential rate. This all adds up to improved landscape function, which itself leads to increased resilience of the Mulloon catchment to the uncertain extremes of climate change.

Science Advisory Council

The Science Advisory Council (SAC) provides independent advice to TMI across its many activities, particularly the Mulloon Rehydration Initiative (MRI). Meeting quarterly, the SAC comprises specialists in hydrology, land management, environmental resources policy and other fields. The pace of engagement increased along with the level of activity by TMI, following the constraints imposed by the pandemic.

23 landholders taking part

23,000 ha catchment

50 kms of creeks & tributaries

60 leaky weirs installed along 20 km of creek

60 more leaky weirs scheduled over 30 km

40,000 plants planted, transplanted & regenerated

11 species of rare & threatened birds benefiting

20 endangered Yellow-spotted Bell Frogs released

11 species of frogs detected in 2021

4 research themes for post-graduate students

The SAC provides advice on the overall research and monitoring strategy for the MRI, the Monitoring Design and System Specification, and reviews technical reports prepared for TMI. Over the past year, this has included frog surveys, Rapid Assessment of Riparian Condition (RARC), and research student projects associated with the Initiative.

A recent consideration for the SAC concerns the role of animals and animal products in regenerative farming, with the Council developing a briefing paper for the TMI Board on the interdependencies between plants, animals, water and soils in agricultural production and food systems.

A milestone this year was the publication of a peer-reviewed journal article giving a detailed description of the origins, aims, planning principles and research and monitoring aspects of the Mulloon Rehydration Initiative. As well as documenting the MRI, the paper contributes to the practical literature on long term environmental research and monitoring practice, and provides a reference point for future reporting on findings from specific aspects of the MRI. The reference and abstract are provided below, and the full paper is available as open access at onlinelibrary.wiley.com/doi/epdf/10.1111/emr.12549

Peel, L. et al. 2002. The Mulloon Rehydration Initiative: The project's establishment and monitoring framework. Ecological Management and Restoration. 23(1): 25-42, 2022.

Abstract: The Mulloon Rehydration Initiative is a case study highlighting the challenges of integrating research into a catchment scale land-repair project involving multiple landowners and partners. Starting with an innovative project in 2006 to install 'leaky weirs' on a single property, the project has now expanded to include stream rehabilitation works on 16 properties and aims to cover an area of 23,000 ha of the Mulloon Creek, NSW and its main tributaries. Here, we describe the establishment phase of the project and the design of its monitoring framework.

SCIENTIFIC MONITORING

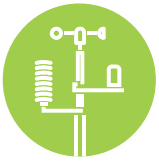
Overall progress of the project's science program has continued with good results despite continued high rainfall in the catchment and challenges with Covid. Scientific monitoring has progressed well with hydrological instrumentation operational, flora and fauna field surveys conducted, and climate stations and satellite monitoring products available to landholders. Major partner HydroTerra have implemented the data management and reporting systems (DataStream), evaluated in consultation with TMI staff and improvements being applied. TMI and associated partners including collaboration with tertiary students have continued to generate valuable scientific analysis and reporting which have been made public.

A great example is the peer reviewed scientific paper published in January 2022 (referenced previously) that has been made available free for download by TMI, which has led to the paper being the second-most downloaded document from the Ecological Management and Restoration journal.

TMI staff conducted analysis of the Rapid Assessment Riparian Condition (RARC) field data from the 2017 and 2019 surveys, and a subsequent report was published on TMI's website. Another round of RARC field surveys were conducted in 2021, with analysis completed and the report will be published soon. Preliminary assessment of the results reveal that terrestrial and aquatic plants have thrived post installation of interventions with increases in values for habitat, vegetation cover and native species since the MRI commenced.

Assessment of aquatic macroinvertebrate samples from surveys (Jan 2019-Jan 2020) by Dr Paul Cooper (ANU) was delayed due to Covid restrictions. The analysis and reporting was completed in 2021 and the report has been made public on TMI's website. Analysis focussed on the relationship between water quality and macroinvertebrates and reveals that drought conditions between 2017 and 2020 are associated with a reduction in taxa especially those dependent on flowing water. The analysis recommends the inclusion of overhanging vegetation as restoration continues.

75 structure health scorecard assessments



2 climate stations installed

31 soil moisture sensors installed

71 piezometers installed across entire project

6 stream gauges measuring water level & quality

6 data loggers logging data

$180,000 value of telemetry system

70 transects being monitored

6 baseline surveys conducted over project so far

7 subsequent monitoring surveys so far

3 monitoring surveys this year

58 survey sites in 2021 frog survey

The report by RMIT Masters student (Julian DeLorenzo) "Assessing stream-groundwater connectivity along Mulloon Creek, NSW" was completed and the report has been made public on TMI's website.

The December 2021 frog survey was conducted by Sam Patmore with much assistance by TMI staff and volunteers from Umwelt. The analysis and reporting were completed by Sam Patmore and the report published and made available on TMI's website with results indicating a significant increase in frog species and frequency for most species detected.

Preliminary results from the latest 2022 fish survey (in press) indicate the invasive Mosquito fish was again not detected in the pilot project area, and numbers have greatly reduced in lower Mulloon following rehydration actions. Additionally, native species have significantly increased particularly *Galaxid olidus* (Mountain Galaxid) for the sites in lower Mulloon. This is a positive result for native fish species, and for other species such as frogs that are greatly affected by predation and competition for food.

Three events involving scientific monitoring, capacity building and awareness raising have occurred with 2 university student groups (ANU and Uni of Canberra) and another involving multidisciplinary scientists from Australia and representatives from India (WOTR) visiting Mulloon. TMI participated in two online webinars to present the data management system and hydrological monitoring approach.

National Rehydration Initiative

REHYDRATING AUSTRALIA

The Mulloon Institute is rehydrating and regenerating landscapes across Australia for improved agricultural productivity, enhanced environmental biodiversity, improved habitat for threatened species and greater community resilience to drought, bushfire and flood.

By collaborating with farmers and engaging local communities, so much can be achieved in reversing Australia's landscape degradation and desertification.

Our education program helps Australian farmers use landscape rehydration to boost their land's resilience to ever increasing climatic extremes, and supports them in rehydrating and regenerating their broader catchments which benefits regional areas.

Supporting our work gives farmers access to the knowledge they need, through educational materials, workshops and hands-on activities, empowering them to take control of rehydrating their landscapes.

Donations to TMI help our education team continue developing our landscape rehydration curriculum so it can be rolled out across Australia, to different climates and bioregions.

Together we can help build a new future for Australian farmers with landscape rehydration skills that build greater resilience in our landscapes.

INITIATIVE OUTCOMES

- Reducing climate change impacts.
- Enhancing food and water security.
- Increasing environmental biodiversity.
- Improving water quality and availability.
- Healthier, nutrient-dense food leading for healthier people.
- Improved resilience to natural disasters.
- Improved farmer productivity and profitability in the long term.
- Viable rural and regional communities.

Education

LEARNING PROGRAMS

Mulloon's learning programs are continuing to develop. Our Landscape Rehydration Curriculum is taking shape with a suite of new courses, bootcamps and skills workshops designed by team members Tam Connor, Laura Fisher and Peter Hazell in collaboration with David Hardwick of Soil Land Food.

This year we launched our new flagship course, a multi-day Landscape Rehydration Bootcamp. Blending theory with practical application, it's an innovative offering designed to leave a landholder feeling empowered to plan and implement a landscape rehydration project on their property. With its first iterations behind us, it's been exciting to see participants embrace the opportunity to practise skills in a dynamic peer learning environment and take part in a process that fosters and supports communities of change.

A full calendar of workshops and demonstrations has seen our team work with extraordinary, motivated communities of farmers, Landcare members and NRM groups around the country. Another new feature of our Learning Programs is remote support, including online presentations, panel discussions and webinars. With these tools in hand, we're equipped to further strengthen those community relationships and support ongoing learning in Landscape Rehydration.

ADVANCED CURRICULUM

We have been trialling several modules of our Advanced Landscape Rehydration Curriculum, which is a cornerstone of our Environmental Education project, funded by the NSW Environmental Trust. Our team have been upskilling in the process, gaining more experience in hydraulic modelling, structure design, site assessment/ measurement and approvals, and thereby progressing the Mulloon Rehydration Initiative (MRI).

Workshop at Paraway, Boyup Brook, WA in March 2022

The MRI is jointly funded through the Mulloon Institute and the Australian Government's Smart Farms program and is supported by the NSW Environmental Trust.

There has been great cross-pollination between our education programs and citizen science project, particularly around engaging school and university students in co-creating and testing models that illustrate landscape rehydration principles and methods. Highlights have included the Water Story curriculum program, coproduced by the Scots College and TMI, which features 'Wanda the Water Drop', navigating the water cycle in both healthy and sick landscapes.

CITIZEN SCIENCE

TMI's citizen science project engages with communities to develop physical and digital models to demystify the science behind landscape rehydration. TMI's Dr Laura Fisher has expanded this project in many directions this year, highlights include:

- engagement with art and design student groups at ANU and the development of inventive projects including a Chain-of-Ponds sponge cake instruction booklet.
- development of our Landscape Rehydration Puzzle, a new tool for education and cooperation that shows how great things happen when art and science come together.
- advancement of our digital twin project with a major report commissioned by Dr Joseph Guillaume at the Institute for Water Futures at ANU.
- a full-day excursion with Kandos High School at a farming property on the Cudgegong River near Rylstone, with the TMI team and Wiradjuri elder Peter Swain.
- construction by Gary McGuigan on our professional landscape rehydration model along with 2 geomorphology 'stream tables' for TMI. These models use silt and a reticulated water system to illustrate in fine detail how rivers form and transform.

Mulloon Creek Natural Farms

FY22 has seen a big turnaround for Mulloon Creek Natural Farms (MCNF) despite another wet year.

The FY22 year has seen one of the biggest rainfall years on record with our 12-month rolling rainfall peaking at 1,371 mm in March – more than double our long-term average annual rainfall. Despite the soggy conditions and consistent setbacks from the weather, MCNF has achieved some very pleasing results and has made good progress towards completing several of the larger redevelopment programs.

The consistent high rainfall, cold weather, flooding and overcast conditions had a significant impact on our egg production especially during the winter period. These trying conditions caused below average production across many free range and pastured raised egg producers throughout Eastern Australia leading to an egg shortage. The egg production on MCNF whilst down had little effect on revenue as this was largely offset with significant savings made to our cost of production.

Despite the tough times for the chooks, our herd of Angus and Angus cross cattle continue to grow and thrive with the strong and consistent conditions for pasture growth. MCNF's cattle enterprise made some key acquisitions this financial year with the purchase of two high quality Bongongo bulls and Rennylea blood PTIC cows to enhance our breeding operation. Sale performances during the year reflected the strong cattle market with very good results being achieved for our weaners and cow and calf sales.

Upgrades to fencing and water has enabled more efficient use of the paddocks and cattle under time controlled grazing. Grazing under this method helps to promote pasture growth, maintains ground cover and improves pasture quality. It's a key part of our holistic approach to regenerative and sustainable agriculture.

MCNF is proud to bear the verified 'regenerative' Land to Market label on our products and we are committed to improving landscape health and function across all land under our management. Our latest Ecological Outcome Verification monitoring was undertaken in January 2022 and we achieved further improvements across all 15 ecological health indicators and four landscape functions compared to the previous year.

Key changes to the team during the year included the development of three new roles, Poultry Production Manager, Plant & Equipment Operations Manager and Plant & Equipment Operations and Mechanical Supervisor. These roles have added a large and varied degree of experience to the team with immediate impact.

The 2022-2023 year is forecast to have some challenges with increased costs, higher wages, and supply chain interruptions, all likely to have an impact on the cost of doing business. MCNF remains positive that further improvements planned for the year to our enterprises, infrastructure and marketing will limit any negative effects from inflation.

Our chickens free ranging in pasture at Duralla
Credit: Kelly Thorburn

Beyond the Back Fence

COEDUCATIONAL WORKSHOPS WITH BACK TO COUNTRY

Yuin, Ngunawal and Ngarigo Country

The workshop occurred on Ngarigo Country at Birkenburn on the Southern Tablelands of New South Wales. It is part of a series of workshops undertaken with the Mulloon Institute and Back to Country, an Aboriginal cultural organisation established by Yuin Elders.

Sharing knowledge, ideas and understanding can be difficult at times, especially when they come from another world view. As Australians our country has a long and rich culture, which until recently has often been swept under the rug. When working with Country we all have skills and ideas to learn from and share with each other.

Back to Country and the Mulloon Institute partnered together for a co-educational workshop to share knowledge, stories and food. The project focused on Back to country leading Mulloon volunteers and staff through discussions and processes to support us in understanding an indigenous way of working with Country. Mulloon led the restoration of an eroding gully on the property with brush packs.

The project is a collaboration between Back to Country and the Mulloon Institute.

The project was generously funded by the Capricorn Foundation and the Mulloon Institute.

Co-educational workshop participants sharing knowledge after restoring a degraded gully. Credit: Grow Love Project Harry Kiely

Peter Hazell Principal Landscape Planner with cows near small waterway on the property, Mt Pleasant, Bass Coast, Victoria. Credit: Bill McAlister

BASS COAST LANDSCAPE REHYDRATION DEMONSTRATION SITE

Bunurong Country

The Bass Coast (south east of Melbourne) faces the challenge of too much water during the wetter seasons and not enough in the drier seasons. The local community is seeking to demonstrate how landscape rehydration can support them to better manage water on their properties; with flow-on effects for environmental and social benefits as well as agricultural production.

The project is set to be the first landscape rehydration demonstration site in Victoria. The initial phase of the project involves engaging with the community and preparing designs for the demonstration property. Along with the designs there is a workshop with the local community, demonstrating a key component of the work that we do, bringing the community along with a project. TMI feels privileged to work and learn with the pioneering communities around Australia.

The project is led by Joel Geoghegan of the Bass Coast Landcare Network and the partnership includes Melbourne Water, Drift Media, and the Mulloon Institute. The first phase of the project is funded by Melbourne Water

Contours being constructed at Paraway, Boyup Brook, WA in 2022. Credit:Lance Mudgway

ON-GROUND WORKS AT BOYUP BROOK, WA

Kaniyang Country

The panoramic view from the top of the Blackwood River Catchment gives spectacular views of the Boyup Brook district. For Warren and Lori Pensini, this landscape is home. Landscape rehydration work has commenced at Warren and Lori Pensini's property 'Paraway' where they run Blackwood Valley Beef, a holistic planned cattle grazing operation in Boyup Brook, Western Australia.

The plan was developed by the Mulloon Institute in a joint venture with Commonland and includes four contours which are placed quite high in the landscape, with two running above hillside seeps that are bare due to prolonged waterlogging. The contours will redistribute surface water away from these seepage areas. Contour placement has been strategic to manage surface water and allow the arrangements of paddocks more suited to landscape and soil. Luckily, a significant amount of rock outcrop was avoided in one contour.

This winter, 25,000 seedlings have been planted along the lower side of the contours and in blocks along the ridges to help restore the natural water cycle, as this area was predominantly tall woodland/forest with jarrah, marri and wandoo.

The funding for the implementation of this plan has been provided by the WA Government's State NRM Program

CENTRALIAN PROJECT
Anmatyerre and Arrernte Country

In the heart of Australia, the impact of European settlement, pastoral development, feral animals and changes to fire regimes have contributed to wide-spread land degradation. With existing degradation threatened by greater climate variability[1], the central rangelands of Australia are at a greater risk of desertification than ever before.

This August, a new project kicked off in Central Australian rangelands 'Centralian', which aims to deliver an on-ground demonstration of landscape rehydration, grazing management and fire management to four stations in the Central Australian rangelands.

Mulloon Consulting has partnered with the Northern Western Australia and Northern Territory (NWANT) Drought Resilience and Innovation Hub and Tierra Australia (among others) to deliver the Centralian project, funded by Australian Government's Future Drought Fund through Charles Darwin University[2].

It is expected that the Centralian project will be completed in time for the 2023 Aileron Field Day, where the on-ground demonstrations of landscape rehydration and regenerative agriculture will rehydrate approximately 8000 ha of Central Australia and allow for Landscape Rehydration Models to be developed for broad adoption across the rangelands of the NT and WA, utilising the NWANT Drought Hub and its network to connect with producers.

[1]Pickup. G, 1998, Desertification and climate change – the Australian perspective. CSIRO Land and Water Vol. 11: 51-63. https://www.jstor.org/stable/24865976
[2]https://www.awe.gov.au/sites/default/files/documents/fdf-hubs-northern-wa-nt-factsheet.pdf

PARTNERS

Australian Government
Department of Agriculture, Water and the Environment

Future Drought Fund

Northern Hub

Anmatjere rangers and the Centralian team enjoying native bush lollies on Ahakeye Aboriginal Land Trust, NT, August 2022. Credit: Erin Healy

NSW – MOLONGLO CATCHMENT REHYDRATION INITIATIVE (MCRI)

Ngunnawal and Ngarigo Country

This project includes investigations and planning for the installation of leaky weirs and other works across two properties at Captain's Flat, NSW to improve habitat for the endangered Green and Golden Bell Frog, restore floodplain function, hydration and pasture growth. Supported by NSW Department of Planning, Industry and Environment's Save Our Species program and with funding from landholders and the Mulloon Institute and the NSW Environmental Trust.

Designs were completed and the legislative approvals process was progressed for the Carwoola (Stage 1) component of the MCRI, which includes the planned installation of 8 in-stream structures, 16 floodplain works and 2 constructed wetlands for Green and Golden Bell Frog habitat. Construction at Carwoola is planned for 2023.

Planning is underway for the Foxlow (Stage 2) component of the MCRI for up to 30 interventions, including in-stream structures and floodplain works. Designs will be commencing in late 2022 for these works.

Molonglo River at Captains Flat. Credit: Jack Smart

NSW – SWAN BROOK CATCHMENT PROJECT

Kamilaroi, Ngoorabul and Anaiwan Country

The channel of the Swan Brook near Inverell in the NSW Northern Tablelands has been incised and lowered due to historical land management practices and there is now significant interest from landholders within the catchment to look at ways to restore the function of the Swan Brook. The resulting scoping report for a catchment-scale project presented a range of opportunities for landscape rehydration as well as a summary of the next steps, including capacity building, and landholder/community engagement.

Swan Brook Northern tablelands NSW. Credit: Jack Smart

The Swan Vale Catchment community are currently considering their scoping report, with Mulloon Consulting staff visiting the catchment in May 2022 to present to the community and scope out a pilot project site. The project has philanthropic support from the Levins Family Foundation and is also supported by Gwymac Landcare, Swan Vale Landcare Group, Northern Tablelands Local Land Services and the Danthonia Bruderhof Community.

OLD CAMERON DOWNS STATION LANDSCAPE REHYDRATION WORKSHOP AND DEMONSTRATION

Kungarakan and Warrai Country

In July 2021, at the invitation of Northern Territory NRM, Peter Hazell travelled to Old Cameron Downs Station, south of Bachelor in the Northern Territory, to deliver a landscape rehydration workshop. The workshop was a great success and has been a catalyst to further Mulloon Institute work and partnerships in the Northern Territory.

The Cameron Downs workshop was well attended by landholders and members of some influential NRM interest groups in northern Australia. Held over two days, Peter took participants through the theory of landscape rehydration and introduced them to reading hydrological patterns and processes in the landscape, before guiding them through the process of planning, siting, and pegging out a key piece of landscape rehydration infrastructure – the contour.

Regulatory issues meant that the contour could not be built during the workshop. However, the landowners, Peter Cogill and Fiona McBean, were determined to see the project through. With the help of Northern Territory NRM's Emily Hinds, they worked through the issues, got the approvals they needed, and cut the contour just in time for the wet season. Within weeks, monsoonal rains were testing the structure – which passed with flying colours. It was an excellent result for everyone involved.

Old Cameron Downs Station Bachelor NT contour bank and swale with ponds at either end constructed in 2021 and after rainfall in February 2022 Credit: Fiona McBean landholder

LANSDOWN CATCHMENT REHYDRATION INITIATIVE

Thul Garrie Waja – Bindal Country

The Lansdown Catchment Rehydration Initiative (LCRI) has been a major project for the Queensland team of Mulloon Consulting in 2022. The LCRI works with landholders in the 12,000 ha Lansdown Creek catchment, to build drought resilience in the community through landscape rehydration activities.

The project is located 30km south of Townsville in the Ross River Dam catchment. Here, the benefits of landscape rehydration extend beyond the farm fence to improve the quality and quantity of drinking water for the broader Townsville Community.

The LCRI is working with 6 landholders in the catchment to develop bespoke landscape rehydration plans and then provide support with the on-ground implementation of the designs. A series of landscape rehydration workshops have expanded the reach of the project to engage the wider catchment community.

The LCRI is delivered in partnership with NQ Dry Tropics and through funding from the Australian Government's Future Drought Fund.

Property Stone Hut, owner Troy Green
Credit: Joe Skuse

Before: site overgrown with noxious weeds and is actively eroding in the stream bed

After: leaky weir construction is complete and weeds have been cleared, 3 months following completion: water is held behind the structure and plants are establishing on the structure.

Sam Skeat at the Weetalaba gully remediation site works. Credit: Joe Skuse

WEETALABA STATION – LANDSCAPE REHYDRATION DEMONSTRATION IN THE BBB

Birir Country

Works at Weetalaba Station (50 km South of Collinsville) are complete and ready for the wet season just around the corner! The project site is in the high priority BBB (Bowen, Broken and Bogie) catchment for sediment-saving activities for the Great Barrier Reef lagoon.

Despite a series of regulatory hurdles, the Queensland team of Mulloon Consulting has been able to implement a design that achieved >300t/year sediment savings, far exceeding the goal of 100t/year. Works were designed to demonstrate the effectiveness of landscape rehydration in securing sediment-saving outcomes alongside co-benefits of increased productivity, soil moisture and biodiversity.

Coming out of the project, the Queensland team has gained a wealth of experience in navigating regulatory hurdles associated with the structures and landscape features commonly used in landscape rehydration. This experience will inform future project development and broader regulatory reforms.

Mulloon Consulting delivered this project with funding and logistical support from NQ Dry Tropics.

LANDSCAPE REHYDRATION TRIAL AND DEMONSTRATION IN THE WHEATBELT OF WA

Noongar Country

The Landscape Rehydration Trial is restoring the landscape function and resilience of several properties in the WA wheatbelt to become demonstration sites. The outcomes of the landscape rehydration trial and demonstration will help form a community of practice for landscape rehydration in the agricultural areas of WA.

Dryland water salinity is one of the greatest threats to WA's landscapes. Reduced plant growth brings salt to the soil surface, and catchment scale management is needed to remediate salinity and soil erosion issues. The small water cycle has been damaged and needs repair.

The Mulloon Institute is working in partnership with landholders and organisations on the ground including RegenWA, Perth NRM, Wheatbelt NRM and others to trial and demonstrate landscape rehydration. A literature review of previous research, trials and extension relating to regenerative agriculture in the region has been made publicly available and there is also a Landscape Rehydration hub on the RegenWA website to provide landholders with accessible information. Lance Mudgway is working on site visits, regenerative management plans and on ground works across all landscape zones (ridgeline to valley floor) to share his knowledge on landscape rehydration concepts and help build capacity in the region.

This project is supported by funding from the Western Australian Government's State NRM Program.

Lance demonstrating how water moves in the landscape and methods to improve hydration: to Curtin University Agriculture undergraduate students at Muresk. Credit: Nolani McColl

Peter Hazell Principal Landscape Planner in Sheans Creek, near Eurora, with landholders from Turnip Creek as well as representatives from Bush Heritage Australia and Alluvium. Credit: Angus Dunne

TURNIP CREEK CATCHMENT SCALE RESTORATION PROJECT

Yorta Yorta and Taungurung Country

The Turnip Creek catchment is located between Benalla and Euroa in Victoria, east of the Hume Highway. Landholders on Turnip Creek have been driving the formation of a catchment-scale project for over four years to address the erosion and degradation of the catchment.

The project has had many iterations and the community is to be commended for the commitment they have shown to learning on the journey. The Mulloon Institute is grateful to have been involved over the past year in discussions and scoping of a catchment-scale project. The project has brought together the local community and experts in the field to discuss the catchment opportunities. The catchment is about to embark on monitoring the ecological and agricultural health of the catchment and on increasing surface roughness through increased levels of ground cover to slow down water.

The project is being led by Bush Heritage Australia and has collaborated with Alluvium, the Mulloon Institute, the local Catchment Management Authority, Southern Cross University, Ag Victoria, the Dookie drought hub and many others.

The project is funded by the individual landholders who commissioned a detailed ecological report and each organisation has committed their time and contributions in kind thus far.

Mulloon Operations

Kathy Kelly
CHIEF OPERATING OFFICER / COMPANY SECRETARY

In my second year with the Mulloon Group we have moved to a period of systems consolidation and refinement.

COVID-19 continued to present us with challenges and our Mulloon Institute and Mulloon Consulting entities were fortunate to meet the criteria to receive Government support for a period during the winter 2021 lockdown.

ESTATE OF THE LATE TONY COOTE AM

This year we largely saw the finalisation of the Estate of our founder Tony Coote. This resulted in the elimination of loans that our farm entity owed the Estate. As the residual beneficiary this converted into bequests reported in income in the 2022 financial year.

$6,187,047
bequests received*

$1,328,370
cash donations received*

$2,052,993
in-kind donations received*

* 2021 and 2022 financial years

RISK

As with many businesses we continue to face increased risks and we continue down the path of identification of risk, and the implementation of systems to mitigate risks of concern.

Key areas of focus have been:

- Cybersecurity – increased suite of protection software implemented and recent moves to additional controls to protect our data and communications.
- Workplace health and safety – a continued but increased focus on this area to ensure the protection of our team members.

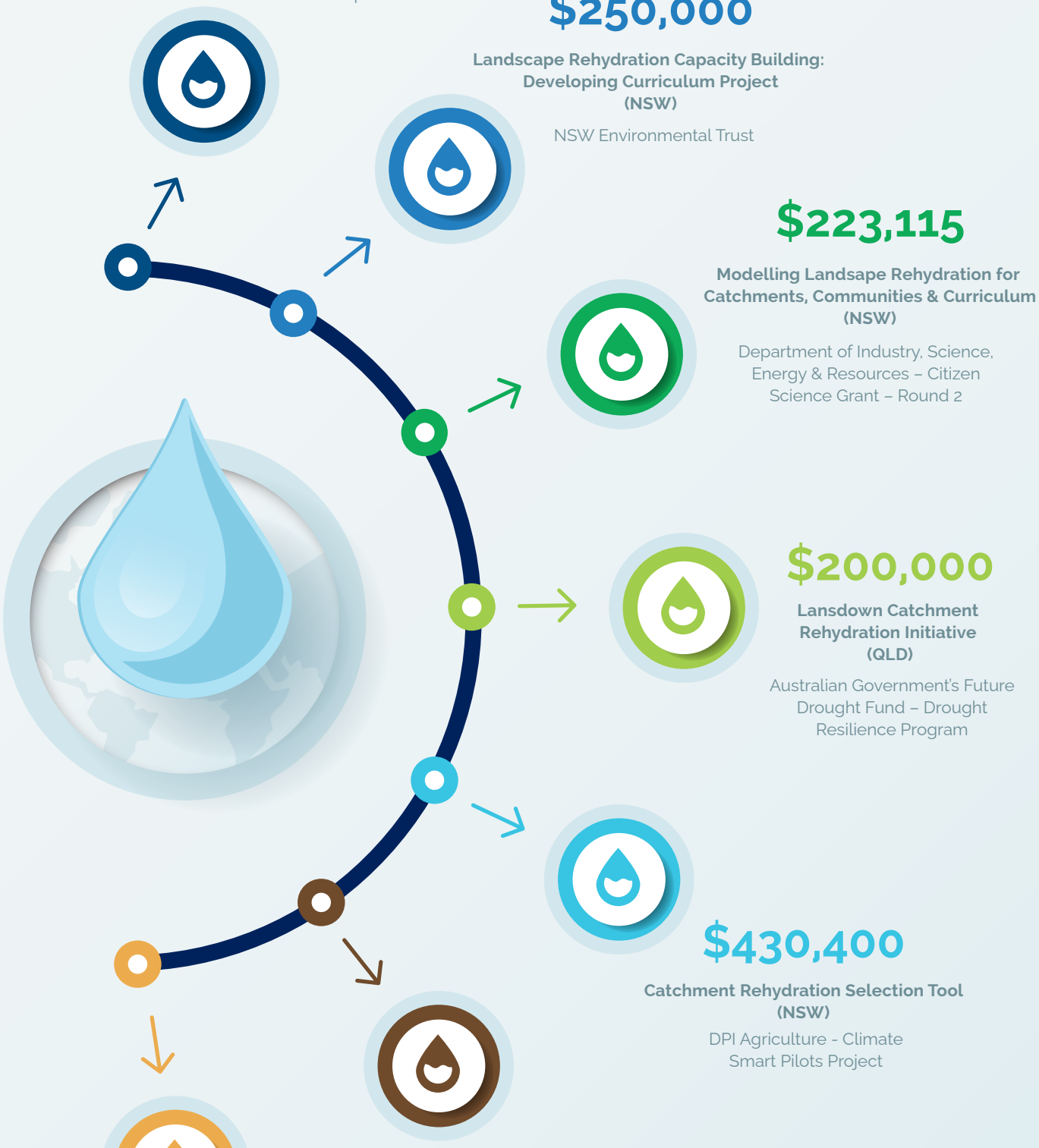
FARM MANAGEMENT

Farm management have moved their bookkeeping to be carried out internally by themselves and I now play a larger role in supporting them with their needs.

SUSTAINABILITY

We are thankful for the philanthropic and commercial sponsorship received throughout the year. Whilst grants, commercial consulting work and education form a core of our income our overall program would not be possible without the support of our donors and sponsors. As we expand our work throughout Australia, driven by increased demand, we also face the challenges of providing ongoing financial support for this work and the associated scientific monitoring.

$1,795,015
Total Grant Funding Won
(2020-2022)



$300,000
Landscape Rehydration Trial & Demonstration in the Wheatbelt (WA)

West Australian Government's State NRM – Community Stewardship Grant

$250,000
Landscape Rehydration Capacity Building: Developing Curriculum Project (NSW)

NSW Environmental Trust

$223,115
Modelling Landsape Rehydration for Catchments, Communities & Curriculum (NSW)

Department of Industry, Science, Energy & Resources – Citizen Science Grant – Round 2

$200,000
Lansdown Catchment Rehydration Initiative (QLD)

Australian Government's Future Drought Fund – Drought Resilience Program

$430,400
Catchment Rehydration Selection Tool (NSW)

DPI Agriculture - Climate Smart Pilots Project

$366,500
Molonglo Floodplain Rehydration Initiative (NSW)

NSW Environmental Trust and NSW Department of Planning, Industry & the Environment - Saving Our Species Program

$25,000
The Mulloon Institute – Back to Country Co-educational Project (NSW)

Capricorn Foundation

2022 Financial Statements

THE MULLOON INSTITUTE LIMITED & CONTROLLED ENTITIES
ABN 53 153 605 531

DIRECTORS' REPORT

Your directors present this report on the Company and its controlled entities (the "Group") for the financial year ended 30 June 2022.

Directors

The names of each person who has been a director during the year and to the date of this report are:

The Hon. Gary Nairn AO

Charles Cupit (resigned 17-03-2022)

Peter Howarth OAM

Richard Forbes (resigned 22-10-2021)

Carolyn Hall

Matt Egerton-Warburton (appointed 19-08-2022)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

In order to create sustainable, profitable and resilient agricultural and environmental systems, the principal activities of the Company during the financial year were to:

- carry out scientific research in the rehydration and restoration of landscapes;
- provide education and demonstration services;
- advocate for policy and regulatory changes; and
- operate our farms in order to both demonstrate our practices and provide funding for our charitable goals.

Short-term and Long-term Objectives

The Company's short-term objectives are to:

- continue the development of the Mulloon Rehydration Initiative including the scientific monitoring and measurement of the impacts of the works;
- build a team of landscape rehydration consultants who are able to support the education of landholders;
- be a recognised leader in the provision of landscape rehydration and restoration and environmental regeneration; and
- invest in the capital infrastructure of our farms to ensure the continued profitability of our farms.

The Company's long-term objectives are to:

- rehydrate and restore 2.5 million hectares of land and positively impact the livelihoods of 5,000 farming families; and
- have policy and regulatory reform in order to support the widespread adoption of landscape rehydration and restoration.

Strategies

To achieve its stated objectives, the Company has adopted the following strategies:

- The Company strives to attract and retain quality staff and volunteers who are committed to working to improve agricultural and environmental outcomes.
- The Company establishes and fosters working partnerships with a range of philanthropists, government, other non-government organisations, commercial, landholder, scientific and community stakeholders.
- The Company will continue its fundraising efforts to continue the work being undertaken.
- The Company will establish and maintain a corpus of investments that allow the company to expand its activities.
- The Company is committed to expanding the landscape rehydration and repair demonstration sites throughout Australia that:
  - measure the results of land repair work done
  - address the varying landscape needs throughout Australia.

Key Performance Measures

The Company measures its own performance through the use of both quantitative and qualitative benchmarks. Budgets and reforecasting tools are used for the Group and monthly reporting is in place to measure actual against budget results.

THE MULLOON INSTITUTE LIMITED & CONTROLLED ENTITIES
ABN 53 153 605 531

DIRECTORS' REPORT

Information on Directors

The Hon. Gary Nairn AO, Chairman

Qualifications: Bachelor of Surveying, Hon. Fellow of the Surveying and Spatial Sciences Institute, Graduate of the Australian Institute of Company Directors.

Experience: After a 25 year career in surveying and mapping, including running his own business, Gary was elected as Federal Member for Eden-Monaro in 1996 and served as Parliamentary Secretary to Prime Minister John Howard, with responsibility for water reform. In 2006, he was promoted to the front bench as Special Minister of State which included responsibilities with Ministerial and Parliamentary Services, the Australian Government Information Management Office and the Australian Electoral Commission. He was the inaugural Chairman of the NT Planning Commission (2013-2017) and a Board Member of the NT EPA. In 2018, he was appointed as National Chairman of The Duke of Edinburgh's International Award – Australia. Gary was a Board Member of the Biodiversity and Conservation Trust of NSW. He was appointed an Officer in the Order of Australia in 2015, for contributions to spatial sciences, NSW and NT communities, Federal Parliament and disability support services. Gary has been a director of the company for seven years and Chairman for the last six years.

Special Responsibilities: Committee Member of Mulloon Institute Public Fund.

Peter Howarth OAM, Director

Experience: Peter is an entrepreneur, former shopping centre and commercial property developer and grazier. He has been involved in agriculture for over 50 years owning a number of properties in NSW where he has operated beef enterprises. He also owned a very successful Black Simmental Stud, the largest in Australia. He has recently sold the property and the stud to concentrate on promoting regenerative agriculture through the Institute, an interest he has held since the mid-nineties. When he lived in Nundle, NSW he and his wife Judy invested much time and capital in making Nundle a sustainable town and successful tourist destination. Peter received an OAM in 1994 for his work as Founder of the Primary Club of Australia, which has raised over $10 million for sporting and recreational equipment for the disabled. Peter has been a director of the company for three years.

Special Responsibilities: Member of Investment Committee.

Carolyn Hall, Director

Qualifications: Bachelor of Science, Master of Sustainable Development, Graduate of Australian Institute of Company Directors, Ecological Society of Australia member, Environment Institute of Australia and New Zealand member.

Experience: With over 25 years' experience in the agricultural and environmental sectors, Carolyn's experience includes environmental consulting with technical expertise in planning and environmental legislation, ecological assessment, wetland management planning, riparian vegetation management for flood mitigation and biodiversity conservation, stakeholder engagement, and education for sustainable development. Carolyn has established and led teams at ERM, Biosis Research and Molino Stewart. She has lectured at Macquarie University for the Masters of Sustainable Development program and chaired the Maroota Bioregional Forum for over 20 years. Carolyn was appointed as CEO of the Mulloon Institute following her role as General Manager of Mulloon Consulting. Carolyn has been a director of the company for two years.

Special Responsibilities: Committee Member of Mulloon Institute Public Fund.

Matt Egerton-Warburton, Director

Qualifications: Bachelor of Arts/ Bachelor of Laws (USyd), Graduate of Australian Institute of Company Directors,
Member of the NSW Law Society.

Experience: Matt is an experienced corporate law Partner with Gadens who has worked in, and is licenced to practice law in, Australia, Hong Kong and New York. He advises a broad range of public and private companies, funds, charities and government bodies on mergers and acquisitions, equity capital markets and governance and compliance issues. He is Gadens' NSW Government relationship partner. He guest lectures at the University of Sydney on corporate law issues. Matt's family has been a financial supporter of the Mulloon Institute since 2018. Matt is currently Chair of the Mulloon Law Committee and has been lobbying for regulatory and legislative change on behalf of the Mulloon Institute since 2019.

Special Responsibilities: Chair, Mulloon Law Committee

THE MULLOON INSTITUTE LIMITED & CONTROLLED ENTITIES
ABN 53 153 605 531

DIRECTORS' REPORT

Information on Past Directors who held office during the year

Charles Cupit, Director

Qualifications: Bachelor of Economics, Masters of Commerce, Graduate Diploma of Financial Planning, member of Institute of Chartered Accountants in Australia and New Zealand, Fellow of Tax Institute of Australia.

Experience: Charles was a Principal of Bedford CA which offers tax and business advisory services. He joined Bedford CA (then Bedford Titley) in 1996 and has been a Director since 2002. In June 2022 Charles established his own practice Talara Consulting Pty Ltd. Formerly of Yarwood Vane (now Deloitte), Charles specialises in strategic business advisory, taxation, succession and retirement planning, compliance with current business regulations, structuring alternatives, valuations, business acquisitions and disposals. Charles' family owned and operated the Tombong Estate merino wool operation on the NSW Monaro from 1876. Charles has returned to holding pastoral interests with a cattle operation in Torryburn, NSW. Charles was a director of the company for six years.

Special Responsibilities: Member of Investment Committee and a Committee Member of Mulloon Institute Public Fund.

Richard Forbes, Director

Experience: Richard worked in Federal Government and various senior corporate affairs and communication roles. He has extensive regional, national and international business experience across four continents and spent over twenty years supporting rural and regional Australia. A former farmer in SA and NSW, Richard is passionate about supporting the agricultural sector. He has presented the ABC Country Hour program, been Head of Media at CSIRO and worked as Adviser and Press Secretary to former Deputy Prime Minister and Trade Minister Mark Vaile. He specialises in strategic planning, stakeholder mapping and engagement, government relations, strategic communications, media relations, video production and issues and crisis management.

Meeting of Directors

During the financial year, 12 meetings of directors were held. Attendances by each director were as follows:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
The Hon. Gary Nairn AO	12	12
Charles Cupit	8	8
Peter Howarth OAM	12	12
Richard Forbes	3	3
Carolyn Hall	12	12
Matt Egerton-Warbuton	0	0

Contributions on Winding Up

The Entity is registered with the Australian Securities and Investments Commission as well as the Australian Charities and Not-for-profits Commission and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $1 each towards meeting any outstanding obligations of the Entity. At 30 June 2022, the total amount that members of the Entity are liable to contribute if the company is wound up is $59 (2021: $52).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and is included in this financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

The Hon. Gary R Nairn AO (Chairman)
Dated: 27 October 2022

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Bequests and donations	**2**	7,642,648	1,925,762
Consulting income	**2**	347,778	355,469
Farm income	**2**	3,963,175	4,533,331
Grants	**2**	920,158	1,224,836
Other revenue	**2**	175,384	73,042
Investment income	**2**	1,490,002	855,632
Other income	**2**	174,278	137,500
Consulting project costs		(82,058)	(48,950)
Education and event costs		(30,467)	(24,995)
Grant costs		(668,090)	(550,660)
Livestock fair value adjustments	**6**	211,928	19,920
Farm cost of sales	**3**	(2,018,723)	(2,539,891)
Farm expenses		(14,664)	(64,089)
Employee benefits expense		(3,112,588)	(3,324,462)
Depreciation and impairment expense	**3**	(281,785)	(252,116)
Finance costs – Unrelated parties		(48,179)	(18,595)
Professional fees	**3**	(814,707)	(895,836)
Property utilities and insurance		(130,967)	(142,732)
Repairs and maintenance		(86,849)	(233,077)
Administration costs		(89,836)	(88,344)
Other expenses		(31,942)	(121,054)
Current year surplus before income tax		7,514,496	820,691
Income tax expense	**1(l)**	0	0
Net current year surplus		7,514,496	820,691
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on financial assets at fair value through other comprehensive income		(2,036,535)	1,049,914
Total other comprehensive (losses)/income for the year		(2,036,535)	1,049,914
Total comprehensive income for the year		5,477,961	1,870,605
Surplus attributable to members of the Entity		5,477,961	1,870,605
Total comprehensive income attributable to members the Entity		5,477,961	1,870,605

The accompanying notes form part of these financial statements.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**4**	2,503,482	2,395,143
Accounts receivable and other debtors	**5**	1,408,866	251,242
Biological assets	**6**	1,155,681	1,171,600
Inventories	**7**	37,531	97,798
Financial assets	**8**	0	852,254
TOTAL CURRENT ASSETS		5,105,560	4,768,037
NON-CURRENT ASSETS			
Financial assets	**8**	2,382,825	3,164,302
Property, plant and equipment	**9**	11,318,512	11,135,283
Intangible assets	**10**	3,024,995	3,024,995
TOTAL NON-CURRENT ASSETS		16,726,332	17,324,580
TOTAL ASSETS		21,831,892	22,092,617
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	**11**	696,158	820,898
Contract liability	**12**	1,267,062	922,803
Finance liabilities	**13**	201,015	97,936
Non-interest bearing loans	**14**	0	6,169,031
Employee provisions	**15**	171,185	148,702
TOTAL CURRENT LIABILITIES		2,335,420	8,159,370
NON-CURRENT LIABILITIES			
Finance liabilities	**13**	84,787	5,543
Employee provisions	**15**	40,164	34,144
TOTAL NON-CURRENT LIABILITIES		124,951	39,687
TOTAL LIABILITIES		2,460,371	8,199,057
NET ASSETS		19,371,521	13,893,560
EQUITY			
Retained surplus		20,343,812	12,829,316
Reserves	**20**	(972,291)	1,064,244
TOTAL EQUITY		19,371,521	13,893,560

The accompanying notes form part of these financial statements.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Retained Surplus $	Financial Assets Account $	Total $
Balance at 1 July 2020		12,008,625	14,330	12,022,955
Comprehensive income				
Surplus for the year attributable to members of the Entity		820,691		820,691
Other comprehensive income for the year		1,049,914		1,049,914
Transfer – revaluation surplus to Financial Assets Reserve	**20**	(1,049,914)	1,049,914	0
Total comprehensive income attributable to members of the Entity for the year		820,691	1,049,914	1,870,605
Balance at 30 June 2021		12,829,316	1,064,244	13,893,560
Balance at 1 July 2021		12,829,316	1,064,244	13,893,560
Comprehensive income				
Surplus for the year attributable to members of the Entity		7,514,496		7,514,496
Other comprehensive income for the year		(2,036,535)		(2,036,535)
Transfer – revaluation surplus to Financial Assets Reserve	**20**	2,036,535	(2,036,535)	0
Total comprehensive income for the year		7,514,496	(2,036,535)	5,477,961
Balance at 30 June 2022		20,343,812	(972,291)	19,371,521

The accompanying notes form part of these financial statements.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

CASH FLOWS FROM OPERATING ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Commonwealth, state and government grants		1,438,695	367,752
Receipts from bequests and donations		980,013	918,627
Revenue from customers		4,326,916	5,505,630
Payments to suppliers and employees		(5,843,159)	(7,574,301)
Interest received		1,082	16,818
Interest paid		(48,179)	(18,595)
Net cash generated from/(used in) operating activities	**19**	855,368	(784,069)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(477,297)	(858,331)
Proceeds from sale of investments in equity instruments designated as at fair value through other comprehensive income		1,377,217	1,964,600
Payment for investments in equity instruments designated as at fair value through other comprehensive income		(1,829,272)	(3,126,146)
Net cash used in investing activities		(929,352)	(2,019,877)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in finance liabilities		681,262	114,876
Repayment of finance liabilities		(498,939)	(426,011)
Net cash provided by/(used in) financing activities		182,323	(311,135)
Net increase/(decrease) in cash held		108,339	(3,115,081)
Cash on hand at beginning of the financial year		2,395,143	4,499,769
Cash on hand introduced on acquisition of subsidiary		0	1,010,455
Cash on hand at end of the financial year	**4**	2,503,482	2,395,143

The accompanying notes form part of these financial statements.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The consolidated financial statements cover the Mulloon Institute Limited and Controlled Entities (the Consolidated Group or Group).

The separate financial statements of the Parent Entity, the Mulloon Institute Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The Mulloon Institute Limited is a company limited by guarantee. It is a not-for-profit entity registered with the Australian Charities and Not-for-profits Commission (ACNC). The financial statements were authorised for issue on 27 October 2022 by the directors of the Company.

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards – Simplified Disclosure Standard. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar. Comparatives are consistent with prior years, unless otherwise stated.

The Group previously prepared general purpose financial statements under Tier 2 – Reduced Disclosure Requirements. There were no transition adjustments other than a few disclosure changes on the adoption of Australian Accounting Standards – Simplified Disclosures.

Accounting Policies

a. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (the Mulloon Institute Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 21 .

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

b. Revenue

Revenue Recognition

Operating Grants, Consulting Income, Donations and Bequests

When the entity receives operating grant revenue, consulting income, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Sale of Goods (Eggs)

A sale is recorded when goods have been dispatched to a customer pursuant to a sales order and control of the goods has passed to the carrier or customer.

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

The Group recognises dividends in profit or loss only when the Entity's right to receive payment of the dividend is established.

All revenue is stated net of the amount of goods and services tax.

c. Inventories

The Group measures inventories held for distribution at cost, adjusted when applicable for any loss of service potential.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

d. Biological Assets

Biological assets, being cattle and chickens are measured at fair value less costs to sell, with any change recognised in the profit and loss.

e. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value, less subsequent depreciation and subsequent impairment for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost through a bequest are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Entity commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2 - 10%
Plant and equipment	5 – 33%
Motor vehicles	10 – 33%
Computer & office equipment	10 – 33%

Computer and office equipment

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

f. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group's financial assets are all classified at amortised cost. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Group made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Financial liabilities are classified as financial liabilities at amortised cost or at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group has no financial liabilities at fair value through profit or loss or derivatives designated as hedging instruments in an effective hedge.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

g. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

h. Employee Provisions

Short-term employee provisions

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The Entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

i. Cash and Cash Equivalents

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

j. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods or services sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(g) for further discussion on the determination of impairment losses.

k. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

l. Income Tax

No provision for income tax has been raised as:

the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

The subsidiaries of the Company are subject to income tax, however they have carried forward tax losses and have not met the requirements to book a Deferred Tax Asset. Accordingly this has not been brought to account.

m. Intangible Assets

Goodwill

Goodwill has been recorded at deemed cost on adoption of new accounting policies required for general purpose financial statements. Goodwill is tested for impairment annually. Goodwill is also recorded on acquisition of businesses in accordance with the accounting standards requirements for business combinations.

n. Provisions

Provisions, including income in advance, are recognised when the Entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

o. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

p. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Entity.

Key estimates

(i) *Impairment*

Freehold land and buildings were independently valued at 1 March 2019 by Opteon for the purposes of valuing the properties for probate purposes. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties.

At 30 June 2022, the directors reviewed the key assumptions made by the valuers. Additionally, consideration was given to additions made to property improvements. The directors have concluded that they are satisfied that carrying amount does not exceed the recoverable amount of land and buildings at 30 June 2022.

(ii) *Useful lives of property, plant and equipment*

As described in Note 1(e), the Entity reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

(iii) *Goodwill on acquisition of subsidiary*

In accordance with the accounting standard on business combinations the difference between the cost of the shares in Mulloon Investments Pty Ltd and its net assets at transfer date are considered to be goodwill in the enterprise Mulloon Creek Natural Farms. The directors have then considered the value allocated to goodwill and have concluded based on the evidence of income earning potential, brand value and current supply contacts, that the value allocated to goodwill is reasonable and does not need to be considered for impairment.

(iv) *Revenue recognition*

To determine if a grant contract should be accounted for under AASB1058 or AASB15, the Group has to determine if the contract is enforceable and contains sufficiently specific performance obligations. When assessing if the performance obligations are sufficiently specific, the Group as applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts and review of accompanying documentation. Income recognition from grants received by the Group has been appropriately accounted for under AASB1058 or AASB15 based on the assessment performed.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Note 2: Revenue and Other Income			
REVENUE			
Bequests and donations			
Bequest – Estate Late Antony Coote		6,018,378	168,669
Donations – Cash		578,412	749,958
Donations – In-kind		1,045,858	1,007,135
		7,642,648	1,925,762
Revenue from delivery of services			
Commonwealth Government grants		577,208	1,163,245
NSW State Government grants		244,526	36,821
WA State Government grants		98,424	2,296
Other non-governmental grants		0	22,474
		920,158	1,224,836
Farm income			
Cattle sales	6	567,357	337,552
Egg sales		3,380,030	4,150,144
Other		15,788	45,635
		3,963,175	4,533,331
Other revenue			
Consulting income		347,778	355,469
Education course income		19,361	38,455
Sponsorship		138,182	0
Other income		17,841	34,587
		523,162	428,511
Total revenue		13,049,143	8,112,440
Other income			
Interest & dividends received – Unrelated parties		6,544	16,818
Gain on disposal of listed company shares		803,003	734,414
Gain on disposal of property, plant and equipment		680,455	0
COVID-19 Government funding		174,278	137,500
Rental income from farm prior to acquisition of subsidiary		0	104,400
Total other income		1,664,280	993,132
Total revenue and other income		14,713,423	9,105,572

	Note	2022 $	2021 $
Note 3: Expenses for the Year			
a. Expenses of significance requiring further disclosure			
Egg cost of sales		1,451,366	2,202,339
Cattle cost of sales		567,357	337,552
Total farm cost of sales		2,018,723	2,539,891
Depreciation – Property, plant & equipment		281,785	246,310
Impairments – Property, plant & equipment		0	5,806
Total depreciation & impairments expense		281,785	252,116
Professional fees paid		59,348	488,675
Directors fees – in-kind		299,250	326,000
Company secretary/COO fees – in-kind		128,165	66,161
Professional fees – in-kind		327,944	15,000
Total professional fees		814,707	895,836
b. Auditors remuneration included in professional fees above			
2019 financial report		0	6,300
2020 financial report		8,150	0
2021 financial report - paid		20,000	0
2021 financial report - donation - in kind contribution		6,000	0
Audit and assurance services - grant acquittals		1,200	0
Total		35,350	6,300
Note 4: Cash and Cash Equivalents			
CURRENT			
Cash at bank – Unrestricted		2,503,482	2,395,143
		2,503,482	2,395,143

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $

Note 5: Accounts Receivable and Other Debtors

	2022 $	2021 $
CURRENT		
Accounts receivable	358,584	210,286
Other debtors	126,083	36,066
Prepayments	6,460	4,890
Amount receivable for sale of Cartier Mystery Clock	917,739	0
Total current accounts receivable and other debtors	1,408,866	251,242

At 30 June 2022 nil (2021:nil) debtors were considered impaired and all were within trading terms.

Note 6: Biological Assets

	2022 $	2021 $
CURRENT		
Cattle on hand	685,600	691,600
Chickens on hand	470,081	480,000
Total biological assets	1,155,681	1,171,600

2022	Cattle $	Chickens $	Total $
Fair value at the beginning of the year	691,600	480,000	1,171,600
Additions at cost	187,743	121,035	308,778
Sale of cattle	(567,357)	0	(567,357)
Selling costs	30,732	0	30,732
Increase/(decrease) in the value of biological assets	342,882	(130,954)	211,928
Fair value at the end of the year	685,600	470,081	1,155,681

Note 7: Inventories

	2022 $	2021 $
CURRENT		
At cost:		
Auction items	3,500	3,500
Egg packaging stock	5,292	46,898
Layer feed on hand	28,739	47,400
	37,531	97,798

Note 8: Financial Assets

	2022 $	2021 $
CURRENT		
Financial assets mandatorily measured at fair value through profit or loss	0	852,254
Total current assets	0	852,254
NON-CURRENT		
Investments in equity investments designated as at fair value through other comprehensive income	2,382,825	3,164,302
Total non-current assets	2,382,825	3,164,302

a. Financial Assets Mandatorily Measured at Fair Value through Profit or Loss

These assets are loans to entities related to the Estate of the Late Antony Coote that are held within Mulloon Investments.

b. Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income

	2022 $	2021 $
Shares in listed corporations	1,782,825	2,864,302
Shares in unlisted corporations	600,000	300,000
	2,382,825	3,164,302

Investments in equity instruments are held for medium- to long-term purposes and are not held for trading. The Entity elected to designate investments in equity instruments above as at fair value through other comprehensive income. The reason for this is that they believe that recognising current shorter-term fluctuations in these investments' fair value in profit or loss would not be in line with the Entity's plan to keep this share portfolio over a longer term.

	Note	2022 $	2021 $

Note 9: Property, Plant and Equipment

Land and buildings		
Freehold land at fair value:		
Director's valuation	8,988,763	8,988,763
Total land	8,988,763	8,988,763
Buildings:		
Improvements at cost	1,359,654	1,359,654
Less accumulated depreciation	(685,264)	(601,894)
Total buildings	674,390	757,760
Construction in progress	437,745	176,502
Total land and buildings	10,100,898	9,923,025
Plant and equipment		
Plant and equipment:		
At cost	2,476,117	2,362,347
Less accumulated depreciation	(1,442,384)	(1,261,337)
	1,033,733	1,101,010
Motor vehicles:		
At cost	192,117	302,464
Less accumulated depreciation	(98,236)	(191,216)
	93,881	111,248
Construction in progress – Statue	90,000	-
Total plant and equipment	1,217,614	1,212,258
Total property, plant and equipment	11,318,512	11,135,283

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land & Buildings	Plant & Equipment	Motor Vehicles	Total
2021	$	$	$	$
Balance at beginning of year	8,950,000	174,121	30,909	9,155,030
Carrying value of assets on acquisition of new subsidiary	146,104	270,581	26,362	443,047
Additions at cost	733,869	809,844	69,107	1,612,820
Construction in progress at cost	176,502	0	0	176,502
Depreciation expense	(83,450)	(150,711)	(12,149)	(246,310)
Impairment losses	0	(2,825)	(2,981)	(5,806)
Carrying amount at end of year	9,923,025	1,101,010	111,248	11,135,283

	Land & Buildings	Plant & Equipment	Motor Vehicles	Total
2022	$	$	$	$
Balance at beginning of year	9,923,025	1,101,010	111,248	11,135,283
Additions at cost	0	203,771	0	203,771
Construction in progress at cost	261,243			261,243
Sale of assets - written down value	0	0	0	0
Depreciation expense	(83,371)	(181,047)	(17,367)	281,785
Carrying amount at end of year	10,100,897	1,123,734	93,881	11,318,512

Asset Revaluations

The freehold land and buildings were independently valued on 1 March 2019 by Opteon. The valuation was carried out in order to support the transfer value of the farmland from the Estate of the Late Antony Coote.

At 30 June 2022 the directors reviewed the key assumptions made by the valuers at 1 March 2019 and considered the value of improvements made to the property since that time. They have concluded that these assumptions remain materially unchanged, and are satisfied that the carrying amount does not exceed the recoverable amount of land and buildings at 30 June 2022.

	Note	2022 $	2021 $

Note 10: Intangible Assets

Goodwill

Mulloon Consulting	20,000	20,000
Mulloon Creek Natural Farms	3,004,995	3,004,995
Net carrying amount	3,024,995	3,024,995

The goodwill in Mulloon Creek Natural Farms was acquired when the shares in Mulloon Investments Pty Ltd were transferred to the Mulloon Institute on 1 July 2020.

Note 11: Accounts Payable & Other Payables

CURRENT

Accounts payable	48,548	236,856
Other current payables	264,150	584,042
Funds held in trust	383,460	-
	696,158	820,898

Note 12: Contract Liability

Balance at beginning of the year	922,803
Additions:	
Grants for which performance obligations will only be satisfied in subsequent years	1,234,917
Income received in advance on commercial activities	29,500
Expenditure incurred to extinguish contract commitments under grants	(920,158)
Closing balance at the end of the year	1,267,062

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15, the amount received at that point in time is recognised as a contract liability until the performance obligations have been satisfied.

Note 13: Finance Liabilities

Livestock loan – Current	170,655	0
Asset purchase:		
Farm equipment – Current	30,360	97,936
Farm equipment – Non-current	84,787	5,543
Net carrying amount	285,802	103,479

	Note	2022 $	2021 $

Note 14: Non-interest Bearing Loans

Loans – Coote family related	0	1,535,971
Loans – Estate Late Antony Coote	0	4,623,550
Loan – Other	0	9,510
Net carrying amount	0	6,169,031

The Coote family related loans are within Mulloon Investments and were settled out of financial assets held by that company. The loan from the Estate was settled in favour of the Mulloon Institute as residual beneficiary on finalisation of the Estate of the Late Antony Coote.

Note 15: Employee Provisions

Analysis of employee provisions

CURRENT		
Annual leave entitlements	171,185	148,702
Total current employee provisions	171,185	148,702
NON-CURRENT		
Long service leave entitlements	40,164	34,144
Total non-current employee provisions	40,164	34,144

Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $

Note 16: Contingent Liabilities & Contingent Assets

The directors are not aware of any significant contingent liabilities or contingent assets.

Note 17: Events after the Reporting Period

Since the end of the financial year the Group has entered into a contract to purchase plant for the egg production business for an amount of $614,362. Other than that transaction, the directors are not aware of any significant events since the end of the reporting period.

Note 18: Related Party Transactions

a. Key Management Personnel

Key management personal compensation:		
Short-term employee benefits	548,206	659,145
Post-employment benefits	83,945	62,617
	632,151	721,762

b. Other Related Parties Transactions

Purchase of accounting services from Bedford CA for TMI subsidiaries	-6,225	132,022

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

The amounts disclosed above are paid amounts and exclude in-kind contributions.

Receipts from related parties		
Donations received from:		
Charles Cupit	4,500	25,500
The Howarth Foundation	310,000	300,000
Richard Forbes	0	2,000
Carolyn Hall	5,000	2,000
Gary Nairn	14,000	10,000

	Note	2022 $	2021 $

Note 19: Cash Flow Information

Net current year surplus	7,514,494	820,691
Adjustment for:		
Depreciation and impairment expense	281,785	252,116
Gain on disposal of investments	(803,003)	(734,414)
Gain on disposal of property, plant & equipment	(680,455)	0
Bequests received through extinguishment of finance liabilities	(5,616,777)	0
Movement in working capital:		
(Increase)/decrease in accounts receivable and other debtors relating to income items	(164,886)	543,788
(Increase)/decrease in inventories	60,267	12,178
(Increase)/decrease in biological assets	15,919	(538,734)
Increase/(decrease) in accounts payable and other payables	(124,738)	(63,650)
(Increase)/decrease in contract liabilities	344,259	(994,584)
Increase/(decrease) in employee provisions	28,503	22,940
Decrease in loan from Mulloon Investments prior to aquisition of subsidiary	0	(104,400)
Net cash generated by/(used in) operating activities	855,368	(784,069)

Note 20: Financial Assets Account

The financial assets account records revaluation increments and decrements that relate to financial assets that are classified as available-for-sale.

Opening balance	1,064,244	14,330
Revaluation gains/(losses) on investments in equity instruments designated as at fair value	(2,036,535)	1,049,914
Financial assets account	(972,291)	1,064,244

Note 21: Subsidiaries

The Mulloon Institute owns 100% of the following subsidiaries:

- Mulloon Consulting Pty Ltd
- Mulloon Investments Pty Ltd

Mulloon Investments Pty Ltd is the trading vehicle for Mulloon Creek Natural Farms operations and included some residual assets and liabilities relating to the Estate of the Late Antony Coote that have been settled in the 2022 financial year.

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Note 22: Parent Entity Financial Information			
SUMMARY FINANCIAL INFORMATION			
Statement of financial position			
Current assets		2,820,681	3,006,917
Non-current assets		18,308,428	12,767,983
Total assets		21,129,109	15,774,900
Current liabilities		1,492,387	1,230,394
Non-current liabilities		35,030	30,162
Total liabilities		1,527,417	1,260,556
Net Assets		19,601,692	14,514,344
Equity			
Retained earnings		20,573,983	13,450,100
Financial asset account		(972,291)	1,064,244
		19,601,692	14,514,344
Profit for the year		7,123,885	1,092,607
Total comprehensive income		855,365	2,142,521

Note 23: Entity Details

The principal place of business is:

3585 Kings Highway
BUNGENDORE NSW 2621

Note 24: Members' Guarantee

The Entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $1 each towards meeting any outstanding obligations of the Entity. At 30 June 2022, the number of members was 59.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of the Mulloon Institute Limited, the directors of the Company declare that, in the directors' opinion:

1. The attached financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012,* and:

   (a) comply with Australian Accounting Standards – Simplified Disclosure Standards, and

   (b) give a true and fair view of the financial position of the consolidated entity as at 30 June 2022 and of its performance for the year ended on that date.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director: _____

The Hon Gary R Nairn AO (Chairman)

Dated: 27 October 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MULLOON INSTITUTE LIMITED & ITS CONTROLLED ENTITIES

Report on the Financial Report

Opinion

We have audited the financial report of the Mulloon Institute Limited (the Company), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.
In our opinion, the accompanying financial report of the Company is in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:

- Giving a true and fair view of the consolidated financial position of the Company as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and
- Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report and other documents contained in the annual report. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-Profits Commission Act 2012, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MULLOON INSTITUTE LIMITED & ITS CONTROLLED ENTITIES

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than from one resulting from error, as fraud many involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible persons.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial report, including the disclosures, and whether the consolidated financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

James I Mathers

Principal

James Mathers & Co
Chartered Accountants
27 Bydown Street, Neutral Bay

Dated: 27 October 2022

Limited by a scheme approved under Professional Standards Legislation.

Degraded montane peat bog at Pailing Yards campground at Bago State Forest. Credit: Bill McAlister

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF THE MULLOON INSTITUTE LIMITED & CONTROLLED ENTITIES

In accordance with Section 307C of the *Corporations Act 2001* I declare that, to the best of my knowledge and belief, in relation to the audit of the Mulloon Institute Limited and Controlled Entities for the financial year ended 30 June 2021 there have been:

(i.) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii.) no contraventions of any applicable code of professional conduct in relation to the audit.

James I Mathers
Principal

James Mathers & Co
Chartered Accountants
27 Bydown Street, Neutral Bay

Dated: 27 October 2021

Limited by a scheme approved under Professional Standards Legislation.

Peter Hazell, Principal Landscape Planner, discussing soil properties with students from The Scots College. Credit: Luke Peel

THE MULLOON INSTITUTE LIMITED
ABN 53 153 605 531

SCHEDULE OF IN-KIND CONTRIBUTIONS
YEAR ENDED 30 JUNE 2022

Organisation / Individual	Amount $	Detail
Australian National University	133,000	Five staff members on the Mulloon Institute Science Advisory Committee and provide assistance with reporting. Significant input by TMI SAC members for scientific paper. Access to field operations equipment. Provision of Honorary Lecturer status for TMI staff allowing access to meeting rooms and facilities at the University, including library services. Students undertaking projects that provide resources towards monitoring and reporting and development of educational processes and outcomes. Paul Cooper's work on aquatic macro-invertebrates. Advice and input from Borevitz Lab and Water Futures Group, including student projects.
Bedford CA	20,000	Accounting and administration support along with provision of rooms and catering for meetings and functions.
Biodiversity Conservation Trust	15,000	Advice, support with monitoring activities. One member on the TMI Science Advisory Committee.
BoM	25,000	Advice and support with the monitoring program, monitoring design and systems specifications. Additionally advice and support for the NSW DPI Heat Map project with HydroTerra.
Charles Cupit	80,250	Director role including membership of the Investment Committee.
CSIRO	35,000	Advice and support with the monitoring program, monitoring design and systems specifications. Additionally advice and support for the NSW DPI Heat Map project with HydroTerra.
Gadens	51,443	Matt Egerton-Warburton's time for chairing the Mulloon Law Committee along with Gaden's support in providing legal advice to the Institute.
Gary Naim	112,000	Chairman
James Mathers & Co	6,000	Audit fees discounted
Jamie Kerr	4,500	Contribution to the Mulloon Law Committee
Kathy Kelly	128,165	Company Secretary / Chief Operating Officer.
NSW Department of Primary Industries	38,000	David Mitchell's time and expertise through TMI SAC input, primarily for hydrology and climate date instrumentation and data management. Scott McKinnon and numerous others advice and input towards NSW DPI Heat Map project with HydroTerra.
NSW Fisheries	5,000	Advice and support in relation to fish surveys, input into Controlled Activity Approvals and Natural Resource Access Regulator.
NSW Office of Environment & Heritage	35,000	Advice and support in connection with threatened frog species restoration, and bird surveys. Advice and assistance with NSW DPI Heat Map project with HydroTerra, and provision of appropriate datasets
Peter Howarth	107,000	Director role, including membership of the Investment Committee.
Richard Campbell, HydroTerra	52,500	Contribution towards the MRI, including the monitoring manual.
RMIT	33,000	Project support and operations for Masters student project - Julian DeLorenzo. Advice and assistance provided by Sam Grover for funding proposals and MOU actioned.
Soils for Life	10,000	Scientific and technical advice and support with field activities and community engagement.
South East Local Land Services	17,000	Rebecca Bradleys input for TMI SAC, and advice, support and collaborations with various other staff
University of Canberra	50,000	Dr Leah Moore's time on the Science Advisory Committee and supervising student under-grad and post-grad projects. including monitoring and analysis operations and support. Field activities with student groups at Mulloon. Advice and expertise regarding monitoring of fish.
University of Melbourne	35,000	Professor Neil Mann time on the Science Advisory Committee. Student projects conducting field surveys of groundwater and sub-surface soil and rock formations and associated reporting. Advice and support from Andrew Weston and the hydrology team.
University of New England	8,000	Provision of advice and support for funding proposal collaboration.
University of Sydney	15,000	Contribution of Gerry Bates to the Mulloon Law Committee and support to TMI for other education initiatives
University of Technology, Sydney	10,000	Supervision of PhD student Mr Danny Kenny and associated support and facilities.
Various community volunteers	10,000	Support to field TMI officer for planting native plants throughout Mulloon.
Wilfred Finn	10,000	Contribution to the Mulloon Law Committee
TOTAL	1,045,858	

Our Supporters

Our work is made possible through the generous support of various individuals and organisations.

THE HOWARTH FOUNDATION

Founded by Board member Peter Howarth OAM, The Howarth Foundation is an extremely strong and valuable supporter of the Mulloon Institute's work. We are very grateful for the foundation's continued support.

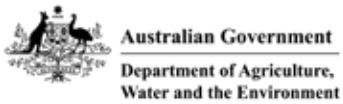
MAJOR DONOR

THE Howarth Foundation

MAJOR SPONSOR

LET'S GROW A Vitasoy BETTER WORLD

KEY FUNDERS



The Mulloon Institute's work is supported by the Australian Government's National Landcare Program, the NSW Government's Department of Primary Industries, the Department of Planning, Industry & Environment, the Office of Environment & Heritage, NSW Local Land Services and through its Environmental Trust.

KEY COLLABORATORS

Worldview Foundation team members healing country through development of tree planting skills at Duralla
Credit: Penny Cooper

Mulloon Institute
For environment, farming and society.

PO Box 126, Bungendore NSW 2621 AUSTRALIA
info@themullooninstitute.org | themullooninstitute.org